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Portugal

Fresh Deciduous Fruit

The Apple, Pear and Cherry Sectors At a Glance

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Report Highlights:

Portuguese 1999 apple, pear and cherry production is forecast to total 266, 160 and 9 thousand MT respectively. During the 1999/2000 marketing year, apple and pear imports are forecast to total 65 and 21 thousand Mt. July 98/March 99 apple imports from the U.S. totaled 671 Mt. 1 USD = 170 Pte.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
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General Summary

Portuguese apple, pear and cherry production will be up in 1999 after a disastrous 1998 crop year, totaling forecast outputs of 266, 160 and 9,000 Mt respectively.

Since the creation of the Single Market, imports have trended up, especially from Spanish and French origins, of which a large share is said to be un-reported due to lack of border control. July 97/June 98 imports of apples, pears and cherries totaled 41,290, 11,181 and 303 Mt respectively. During marketing years 1999/2000, imports of apples and pears are forecast at 65, and 21 thousand Mt. Total cherry imports are expected to remain negligible.

The U.S. is affected by a coinciding marketing year compared to the EU, as well as by the EU preference regime, accounting for a relatively reduced share of total Portuguese fruit imports from non-EU origins. In according to the National Statistics Institute INE, the U.S. exported 671 Mt of apples into Portugal during the July 98/March 99 period. A market for U.S. apples could be locally developed during short production years.

1 USD = 190 Pte

The Apple, Pear and Cherry Sectors At a Glance

1. Areas & Outputs

	Area			Production		
	1996	1997	1998	1996	1997	1998
	Hectares			Metric Tons		
Apples	24,319	24,352	24,281	256,780	286,212	165,618
Pears	15,529	12,470	13,174	101,480	173,947	20,033
Cherries	3,573	3,672	3,827	9,438	9,362	3,155

SOURCE: NATIONAL STATISTICS INSTITUTE INE

2. Production, Supply & Distribution

Apples: With a mostly stable consumption, the apple sector is usually dependent upon imports. Official import statistics are said to be largely underestimated since the Single Market was instituted in 1992. Considerable un-registered quantities of apples are reportedly brought in each year from leading origins in Spain and France.

Pears: The pear sector is an exporting one except for cases of an exceptional low crop year such as 1998, when both exports and consumption levels were depressed by a low crop and astronomic prices.

Cherries: The cherry sector is mostly self-contained. Production and consumption are limited. Trade is virtually non-existent.

Production, Supply & Distribution Tables for the Apple, Pear and Cherry sectors are given below:

PORTUGAL: APPLE PRODUCTION, SUPPLY & DISTRIBUTION TABLE

	1997	1998	1999
	Metric Tons		
Area (1,000 Ha)	24	24	24
Production	286	166	266
Imports	41	150	65
TOTAL SUPPLY	327	316	331
Exports	12	6	15
Total Consumption	315	310	316
TOTAL DISTRIBUTION	327	316	331

**PORTUGAL: PEAR PRODUCTION, SUPPLY & DISTRIBUTION
TABLE**

	1997	1998	1999
	Metric Tons		
Area (1,000 Ha)	12	13	13
Production	174	20	160
Imports	11	65	21
TOTAL SUPPLY	185	85	181
Exports	44	3	40
Total Consumption	141	82	141
TOTAL DISTRIBUTION	185	85	181

**PORTUGAL: CHERRY PRODUCTION, SUPPLY & DISTRIBUTION
TABLE**

	1997	1998	1999
	Metric Tons		
Area (1,000 Ha)	4	4	4
Production	9	3	9
Imports	0	0	0
TOTAL SUPPLY	9	3	9
Exports	0	0	0
Total Consumption	9	3	9
TOTAL DISTRIBUTION	9	3	9

3. Producer Prices

Portugal: Recent Producer Prices of Apples & Pears

	Oct-98	Nov-98	Dec-98	Jan-99	Feb-99	March-99	CY-98 Average	Homologous Var. (%)
	Units: Pte/100 Kg							
Apple (Basket of Varieties)	8,417	8,509	8,284	8,700	9,760	9,252	6,956	111.4
Pear (Basket of Varieties)	20,000	20,304	19,000	21,000	22,000	-	16,126	-

SOURCE: NATIONAL STATISTICS INSTITUTE INE

4. Trade

Portugal: Apple Trade Matrix (Metric Tons)

IMPORTS	July 96/ June 97	July 97/ June 98	July 97/ March 98	July 98/ March 99	Inc. (%)
U.S.	0	0	0	671	-
France	18413	13628	8777	20539	134.0
Spain	13635	14533	9894	19170	93.8
Italy	1533	1474	986	2333	136.6
Germany	1444	863	476	1278	168.3
Greece	347	797	526	107	-79.7
Netherlands	341	795	351	760	116.8
Belgium	214	352	87	298	244.1
Ireland	0	110	110	0	-100.0
Argentina	6296	4749	388	2302	492.6
Chile	4919	3390	145	615	323.3
S. Africa	514	368	17	462	-
Brazil	229	0	0	0	-
Canada	114	0	0	0	-
Switzerland	21	0	0	0	-
Mexico	0	0	0	0	-
Venezuela	0	205	0	0	-
Norway	0	26	0	0	-
	48020	41290	21757	48535	123.1

EXPORTS	July 96/ June 97	July 97/ June 98	July 97/ March 98	July 98/ March 99	Inc. (%)
Spain	1595	7761	7262	3374	-53.5
France	53	43	43	0	-100.0
Netherlands	0	2450	2450	551	-77.5
Germany	0	65	65	0	-100.0
Italy	0	0	0	22	-
U.K.	0	20	20	8	-61.1
Ireland	0	15	15	138	798.7
Cape Verde	800	831	642	532	-17.1
Brazil	288	48	48	18	-63.0
Mauritanea	103	343	178	471	165.1
Angola	23	411	395	2	-99.6
Senegal	2	0	0	0	-
Egypt	2	4	4	11	182.1
Canada	2	0	0	0	-
Guinea Bissau	1	5	4	1	-71.4
S.T.P.	0	0	0	1	700.0
Burundi	0	0	0	4	-
	2869	11996	11126	5133	-53.9

SOURCE: NATIONAL STATISTICS INSTITUTE INE

Portugal: Pear Trade Matrix (Metric Tons)

IMPORTS	July 96/ June 97	July 97/ June 98	July 97/ March 98	July 98/ March 99	Inc. (%)
Spain	2643	2263	1445	6489	348.9
France	548	90	74	1060	-
Belgium	237	404	310	169	-45.4
Netherlands	99	366	183	210	14.7
Germany	53	0	0	85	-
U.K.	16	0	0	0	-
Italy	0	65	65	932	-
Argentina	5137	2835	1120	3626	223.9
S. Africa	2174	2770	801	916	14.3
Chile	2024	2256	890	1495	67.9
Brazil	46	0	0	0	-
Antigua	0	96	96	0	-100.0
Venezuela	0	36	0	0	-
	12977	11181	4994	14982	200.0

EXPORTS	July 96/ June 97	July 97/ June 98	July 97/ March 98	July 98/ March 99	Inc. (%)
U.K.	3771	14922	14514	929	-93.6
Ireland	480	3729	3628	54	-98.5
Germany	381	629	629	0	-100.0
France	229	8230	7493	38	-99.5
Spain	215	1669	1553	144	-90.8
Netherlands	91	5457	5408	0	-100.0
Belgium-Lux	0	1025	1025	250	-75.6
Italy	0	1241	1241	0	-100.0
Ships (EU)	0	24	24	0	-100.0
Brazil	5938	5737	5737	347	-94.0
Canada	677	1020	1020	20	-98.1
Cape Verde	172	291	279	54	-80.9
Mauritanea	34	43	42	0	-100.0
USA	31	0	0	0	-
Russia	23	23	23	0	-100.0
Equador	20	0	0	0	-
Angola	7	85	85	0	-100.0
Venezuela	3	0	0	0	-
Guinea Bissau	1	2	2	0	-100.0
Egypt	0	1	1	0	-100.0
Lebanon	0	17	17	0	-100.0
Barem	0	21	21	0	-100.0
	12073	44166	42742	1836	-95.7

SOURCE: NATIONAL STATISTICS INSTITUTE INE

Portugal: Cherry Trade Matrix (Metric Tons)

IMPORTS	July 96/ June 97	July 97/ June 98	July 97/ March 98	July 98/ March 99	Inc. (%)
Cherries					
Spain	149	297	131	102	-22.5
Chile	8	5	5	0	-100.0
France	0	1	1	0	-80.0
	157	303	137	102	-25.8

EXPORTS	July 96/ June 97	July 97/ June 98	July 97/ March 98	July 98/ March 99	Inc. (%)
Cherries					
France	6	0	0	0	-
Spain	0	0	0	19	-
U.K.	0	0	0	3	-
Brazil	7	0	0	0	-
Mauritanea	1	0	0	0	-100.0
	14	0	0	22	-

SOURCE: NATIONAL STATISTICS INSTITUTE INE

Marketing Channels in Brief

There are specialized fruit Importers/Wholesalers/Exporters, among which a very few number dominates the marketing channels of apples and pears. The larger super and hyper-market chains also import, either directly or through specialized fruit importers.

Tariffs

As member of the European Union (EU), Portugal applies the EU tariff schedule on apples, pears and sweet cherry imports. Please refer to the EU chapter for information on tariffs and minimum entry prices.

Non-Tariff Barriers**1. Labeling requirements**

European Union (EU) labeling requirements apply. Please refer to EU chapter information on labeling requirements.

2. Seasonal restrictions

The only seasonal restrictions result from the different tariff rates, which are higher during production periods.

3. Licenses and quotas:

European Union (EU) import license requirements apply. Please refer to the EU chapter for additional information.

4. Currency Issues:

None.

5. Pest and plant disease restrictions:

Since June 1, 1993, there have been harmonized EU-wide plant health regulations in effect. Please refer to EU chapter for specific restrictions which apply to all EU member countries.

6. Other trade restrictions:

None

Subsidies

A. Government assistance given to the domestic apple, pear or cherry industry in producing, promoting, shipping or marketing its product

Portuguese producers benefit from EU supports, which are mostly channeled into the investment support area. Specific marketing actions are also subsidized within EU programs. Supports have contributed to improve producer organization and marketing in limited areas, but have not contained declining trends in total production and processing.

Additional comments

A. Reasons why country does not presently import apples, pears or cherries from the United States:

Small quantities of U.S. apples were exported into Portugal from January to March 1999. The U.S. is considerably affected by the EU import tariff regime, as production periods coincide with Portugal's. Local apple, pear and cherry trade is largely dominated by the EU, which accounted for 82% of total CY- 98 national apple imports, as well as for 48% of pear and 100% of cherry total imports over the same period. Other reasons relate to the weak commercial ties established between the American exporters and the local importers. Non-EU presence in the market is dominated by South American countries and South Africa, which profit from an off-season production and aggressive commercial practices.

B. Other comments:

Continued strong marketing efforts are required in order to boost sales in Portugal. U.S. exporters willing to import Portuguese fruit types would find an easier entry in this market.

Chemicals and Additive Information

A. Chemical residue standards:

CHEMICAL MAXIMUM RESIDUE LEVELS (MRL's)

	Apples	Pears	Cherries
Amitraz	1	1	0.5
Azinphosmethyl	0.5	0.5	0.5
Benomyl	2	2	0.1 * (1)
Captan	3	3	2
Carbaryl	3	3	1
Chlorpyrifos	0.5	0.5	0.3 (1)
Diazinon	0.5	0.5	0.5
Dimethoate	1	1	1
Diphenylamine	5 (2)	5 (2)	-
Diodine	1	1	1
Endosulfan	1	1	1
Ethephon	3	3	3
Ethoxyquin	3 (2)	3 (2)	-
Iprodione	10	10	5
Malathion	0.5	0.5	0.5
Methidathion	0.3	0.3	0.2
Permethrin	1	1	1
Phosmet	2	2	2
Propargite	2	2	3
Pyretrines	1	1	1
Thyabendazol	5	5	0.05 *
Tyophenate de methyl	2	2	0.1 * (a)
Zirame	3	3	1

Source: DGPC. (1) MRL's established by the EU Commission, currently awaiting transcription into Portuguese law. (2) Currently awaiting publication in Portuguese law; (*) Limit of analytical determination.

Obs.: DGPC reports there are currently no MRL for apples, pears or cherries, but that they will be set shortly by the EU.

B. Monitoring chemical residues:

Samples are taken from imported fruit, which are analyzed by the phytosanitary services of the Crop Protection General Directorate (DGPC). Sample collection procedures follow the EU legislation. National procedures incorporating these norms are listed in "NORMA PORTUGUESA 4193" of the Portuguese Quality Institute dated November 1992.

C. Restrictions on the use of waxes:

Use of bee and carnauba waxes is allowed on the surface of apples and pears but not on cherries. Sorbitol and sorbitol syrup are allowed on apples, pears and cherries (Decree-Law 363/98, dated November 19).